

LEASE - BUSINESS PROPERTY

THIS LEASE AGREEMENT, executed in duplicate, made and entered into this 20th day of April 2007, by and between Edgewater Investors, L.C., an Iowa limited liability company, (hereinafter called "Edgewater") whose address for the purpose of this Lease is 711 South Gilbert Street, Iowa City, IA 52240 and the City of Coralville, Iowa, an Iowa municipal corporation, (hereinafter called "Coralville"), whose address for the purpose of this Lease is 1512 7th Street, Coralville, IA 52241

WITNESSETH THAT:

1. **PREMISES AND TERM.** Edgewater, in consideration of the rents herein reserved and of the agreements and conditions herein contained, on the part of Coralville to be kept and performed, leases unto Coralville and Coralville rents and leases from Edgewater, according to the terms and provisions herein, the following described real estate, situated in Johnson County, Iowa, to wit:

a commercial space of approximately 1,700 square feet, subject to adjustment and certification as hereinafter provided, contained located at 845 Quarry Road Coralville, Iowa, which is known as designated as Unit 115, River Bend Condominiums,

together with the improvements therein, said space hereinafter referred to as the Leased Premises, and all rights, easements and appurtenances thereto belonging, as shown on "Exhibit A," Said Lease shall commence on the delivery of possession, which shall be the date upon which Coralville assumes possession of the Leased Premises, whether or not that possession is exclusive, and continue for a term of ten (10) years, expiring at midnight on the last day of the Lease term, upon the condition that Coralville pays rent therefore, and otherwise performs as in this Lease provided.

Coralville shall also have use of the common parking lot provided by Edgewater, subject to reasonable parking rules and regulations that Edgewater may establish throughout the full term of the Lease. The parties agree and acknowledge that the parking provided shall be in compliance with the requirements of the Coralville City Code.

2. **RENTAL.** Commencing on the Possession Date, Coralville agrees to pay to Edgewater as rental a monthly rental amount equal to \$18.00 per square foot for the first Lease year. Thereafter, the rental amount shall increase annually by an amount equivalent to the percentage change in the CPI for each current Lease year over the CPI index amount for the prior year. "CPI" refers to the Consumer Price Index, which shall mean the Consumer Price Index, U.S. City Average, Urban Wage Earners and Clerical Workers, All Items (base index year 1982-84=100) as published by the United States Department of Labor, Bureau of Labor Statistics. If the manner in which the CPI as determined by the Bureau of Labor Statistics shall be substantially revised, including, without limitation, a change in the base index year, an adjustment shall be made by Edgewater in such revised index which would produce results equivalent, or as nearly as possible, to those which would have been obtained if such CPI had not been so revised.

Said rental amount shall be multiplied by the total amount of square feet in the Leased Premises as determined in subparagraph 6(c) below and the monthly rental amount shall be determined by dividing the product by twelve (12). Said rental payments are due on the first day of each month, in advance, during the term of this Lease. The monthly rental amount for the first and last months of the term shall be prorated based on 1/365's of the annual rental amount per day.

In addition to the above monthly rental, Coralville shall also pay: Common Area Maintenance Expenses and Real Estate Taxes as specified below.

All sums shall be paid at the address of Edgewater, as above designated, or at such other place in Iowa, or elsewhere, as Edgewater may, from time to time, previously designate in writing. Payments shall become delinquent after the 10th of each month and shall draw interest at 18% per annum from the due date, until paid. In addition, all Rent payable hereunder by Coralville to Edgewater shall be paid without any deduction, set-off or abatement whatsoever, except as herein expressly provided. Coralville covenants and agrees that whenever it is in default hereunder Edgewater may, at its option, apply all sums received from or due to Coralville against amounts due and payable hereunder in such manner as Edgewater sees fit regardless of any designations or instructions by Coralville to the contrary.

3. POSSESSION. Coralville shall be entitled to early possession of the Leased Premises upon completion of Landlord's Work as hereinafter defined, subject to complete execution of this lease by all parties, and shall yield possession to Edgewater at the time and date of the close of the term of this lease, except as herein otherwise expressly provided.

4. USE OF PREMISES. Coralville covenants and agrees during the term of this Lease to use and to occupy the Leased Premises only for municipal services or as a radio station and for no other use whatsoever. Coralville furthermore agrees, during the Term, to continuously, actively and diligently carry on its business in the whole of the Leased Premises in a reputable manner and in compliance with all the provisions of this Lease. In so doing, Coralville shall at all times operate such business up to the standard maintained by a prudent tenant of a similar business in a development similar to River Bend Condominiums; shall be open for business through out normal business hours, except when prohibited by law; and shall during the Term, keep, renew and replace such of the improvements, fixtures, furnishings, chattels and decorations of the Leased Premises as may be necessary in order that the Leased Premises shall always be suitable for the proper operation of the business required to be carried on therein and comparable with the then best existing standards for developments similar in size and geographical location.

Edgewater and Coralville agree that having the Leased Premises open for business during normal business hours, and Coralville's agreement to operate one hundred percent (100%) of the Leased Premises at all times during the term of this Lease in the manner set forth above, goes to the essence of the parties agreement and that Coralville's failure to perform its obligations or "going black" will result in automatic deprivation to Edgewater for which Edgewater's remedies hereunder or at law may not be adequate. It is, therefore, agreed that in the event of any violation of the aforesaid obligation by Coralville for a period of at least seven (7) days during the term of this Lease or any extension thereof, subject only to the force majeure limitations as hereinafter provided, Coralville shall pay damages to Edgewater in an amount equal to one hundred and fifty percent (150%) of the Rent for each month in which the violation occurs. The liquidated damages provided in this section shall be in addition to and not in lieu of Edgewater's other remedies and acceptance by Edgewater of said damages shall not be deemed as an election of remedies or preclude Edgewater from seeking any other remedy for said violation or a subsequent violation including, without limitation, specific performance or termination of this Lease, or Coralville's right of possession of the Leased Premises.

5. QUIET ENJOYMENT. Edgewater covenants that it is the absolute owner of the building and real estate known as River Bend Condominiums and that Coralville, on paying the Rent herein reserved and performing all the agreements by Coralville to be performed as provided in this Lease, shall and may peaceably have, hold and enjoy the Leased Premises for the term of this Lease free from molestation, eviction or disturbance by Edgewater or any other persons or legal entity whatsoever, except as hereinafter limited. Edgewater shall have the right to mortgage all of its right, title, and interest in said Leased Premises at any time without notice, subject to this Lease.

6. CONSTRUCTION OF THE PREMISES.

(a) **LANDLORD'S WORK.** Edgewater hereby agrees to provide Coralville with a "white envelope" finish within the Leased Premises to include:

1. installation of four demising walls, dry-walled and painted;
2. 2 x 2 or 2 x 2 look-alike white drop ceiling;
3. install the building exterior profile in accordance with attached Exhibit "B";
4. provide gas, and electric utilities stubbed to the Leased Premises;
5. provide water and sewer stubbed to the Leased Premises;
6. a front door and a rear door;
7. windows, the size and amount of which shall be agreed upon by the parties;
8. provide at least 1 ton per 400 square feet HVAC to Leased Premises; and
9. one 2 x 4 light fixture per 100 square feet or equivalent allowance

hereinafter "Landlord's Work", on the Leased Premises within sixty (60) days of receipt of approval and the required permits from the City of Coralville. It is expressly agreed that Landlord's Work shall be limited to the scope of construction delineated and described above.

(b) **TENANT'S WORK.** "Tenant's Work" means all items of work other than Landlord's Work that are necessary to properly complete the Leased Premises for use and occupancy by Coralville for the purposes of its business. Coralville shall perform all Tenant's Work at its sole cost and expense. Said Tenant's Work shall include but not be limited to the provision and installation of all special equipment to the interior of the Leased Premises. Coralville hereby agrees to solicit bids on the performance of Tenant's Work and to allow Hodge Construction Company to submit a bid for the performance of said work. In the event Hodge Construction Company is not awarded the bid for the performance of Tenant's Work, Coralville, at its expense, shall deliver to Edgewater a complete set of plans and specifications for Tenant's Work. Included in said plans shall be the name, address and phone number of all contractors and subcontractors to be used and all such entities shall be approved by Edgewater, which approval shall not be unreasonably withheld, prior to commencing work. Coralville shall construct Tenant's Work at its expense to conform thereto and shall not make a major change therein or permit construction to deviate therefrom without the prior written consent of Edgewater, which consent shall not be unreasonably withheld.

(c) **CERTIFICATION OF SIZE.** Upon completion of Landlord's Work, Edgewater shall cause the Leased Premises to be measured to determine the exact number of square feet contained within the Leased Premises. For the purposes of such calculation, the boundaries of the Leased Premises shall consist of the area measured horizontally from the exterior surface of all exterior walls to the centerline of all divider walls forming the perimeter of the Leased Premises. Doors and windows directly acceding the Leased Premises are part of the Leased Premises. The hot water tank or tanks, the heating, ventilation, and air conditioning equipment to the Leased Premises, electric service lines originating at the individual meter measuring the consumption of electricity for the Leased Premises, and branch water lines exclusively servicing the Leased Premises, are part of the Premises. Upon such certification, the Condominium Declaration for River Bend Condominiums, the Rent amounts, and all

other amounts called for herein shall be adjusted to reflect the actual, as-built size of the Leased Premises.

7. COMMON AREA MAINTENANCE EXPENSES.

(a) Edgewater or its assignee or successor in interest agrees that it will maintain, or cause to be maintained, the common areas of River Bend Condominiums in good order and repair. The common areas shall consist of all parking areas, landscaped areas, streets, sidewalks, driveways, the roof, common hallways, common wash rooms, if any, and the like. Coralville shall, on a monthly basis, reimburse Edgewater for Common Area Maintenance Expenses as defined herein based upon competitive charges for similar services and materials available in the general vicinity. Further, Coralville's proportionate share of Common Area Maintenance Expenses shall be determined by dividing the actual square footage of the Leased Premises as determined in paragraph 6 (c) above by the total amount of space in the River Bend Condominiums building, with said portion multiplied by the actual Common Area Maintenance Expenses. Notwithstanding the foregoing, however, once the real property and Leased Premises have been submitted to a horizontal property regime, the River Bend Condominium Declaration shall assess a portion of Common Expenses against the Unit. Therefore, at such time as the Leased Premises has been submitted to a horizontal property regime, Coralville shall pay all the portion of the Common Expenses assessed to the Unit by the Condominium Declaration directly to the Owner's Association, in accordance with the provisions of said Condominium Declaration.

(b) "Common Area Maintenance Expenses" shall mean all costs of every kind or nature paid by Edgewater, including appropriate reserves, which are properly attributable, in accordance with generally accepted accounting principles, to the maintenance, operation, management, repair, supervision, improvement, and administration of River Bend Condominiums to the extent that it is reasonable for a prudent owner of River Bend Condominiums to incur them, and to the extent not otherwise directly recoverable, and shall include but not be limited to: the cost of insurance in respect of fire, extended coverage endorsements perils, public liability and property damage and other casualties against which Edgewater may reasonably insure; the cost of cleaning, redecorating, décor items, gardening, landscaping, draining, and of maintaining and operating fire prevention, lighting, elevator, and communications systems of the common areas; the cost of repairs and maintenance of the common areas; the cost of security, security devices and systems; the cost of snow and ice removal, trash removal, painting, landscaping, mowing; and depreciation calculated in accordance with generally accepted accounting practices on fixtures and equipment in common areas; and remuneration (including contributions towards usual fringe benefits, unemployment insurance, and similar contributions) of amounts paid to employees solely engaged in maintaining, operating, securing, and supervising the common areas or, in the alternative, the amount paid to a management company to maintain and administer the common areas; ; and other costs and expenses not otherwise expressly excluded hereunder attributable to the maintenance, operation, supervision and administration of the common areas. However, in no event shall Common Area Maintenance Expenses include Edgewater's attorney's fees or expenses in leasing other spaces to additional tenants or any other expense directly attributable to any other lease agreement.

(c) Commencing upon the first day of the Lease term, Coralville shall pay to Edgewater, upon demand, each month, Coralville's proportionate share of Common Area Maintenance Expenses based upon Edgewater's estimates, which shall be \$ 2.60 per square foot for the first Lease year, subject to readjustment as hereinafter provided. Within ninety (90) days following the end of each calendar year, Edgewater shall furnish Coralville with a statement showing the total Common Area Maintenance Expenses for the calendar year just expired, the amount of Coralville's share of such

expenses and payments made by Coralville during the year in question. If Coralville's proportionate share of such costs for such calendar year exceeds Coralville's payments, as shown on the statement, then within thirty (30) days after Coralville's receipt of the statement, Coralville shall pay the difference to Edgewater. If the statement indicates an overpayment by Coralville, then Coralville shall be entitled to offset such excess against any payments becoming due under this Lease or any other payment obligations under this Lease or otherwise receive a refund from the Edgewater for such amount. Edgewater shall use its best efforts to minimize Common Area Maintenance Expenses in a manner consistent with first class office space practices. Edgewater and Coralville's obligations under this paragraph shall survive the expiration of the term of the Lease.

(d) Coralville shall have the right to audit, inspect and copy the books and records of Edgewater with respect to any cost or item which is passed through to Coralville upon ten (10) days advance, written notice by Coralville to Edgewater.

8. REAL ESTATE TAXES. In addition to the base rent set forth in Paragraph 2 above, Coralville agrees to pay Edgewater additional payments for Real Estate Taxes. "Real Estate Taxes" means all real property, municipal, school and local improvement taxes, assessments, and rates and all taxes, assessments, and rates of a like nature imposed in respect of real property from time to time by any municipality or public authority, including any costs, out-of-pocket expenses and fees incurred by Edgewater in attempting to protest, reduce, or minimize (including without limitation, fees for attorneys, consultants, appraisers, and other experts) any of the same in good faith. Except as provided in subparagraph (d) below, Coralville shall be responsible for and pay to Edgewater its percentage share of all Real Estate Taxes that may be levied against River Bend Condominiums. Coralville's prorated share shall be the percentage of the square footage of the Leased Premises as determined above divided by the total square footage within River Bend Condominiums. The Real Estate Taxes are to be prorated for any partial Lease year.

(a) Until invoiced separately as specified in paragraph d below, Coralville's proportionate share of all Real Estate Taxes during the term of the Lease shall be paid monthly along with Coralville's share of Common Area Maintenance Expenses all payable pursuant to paragraph 24 below, such that Coralville shall be responsible for a monthly contribution to Real Estate Taxes for each month of the Lease term and shall have no responsibility therefore after the termination of the Lease. It is anticipated that Coralville's pro-rata share of Real Estate Taxes shall be \$ 2.67 per square foot for the first year of the Lease. The parties acknowledge that said charges are based upon the anticipated Real Estate Taxes for the period between the commencement of this Lease Agreement and the end of the fiscal year. Coralville shall continue to make said monthly payments until notified by Edgewater of a change thereof. Edgewater shall calculate appropriate credits or additional assessments within ninety (90) days of the end of each Lease year. If the estimate for the prior year was too low, Coralville shall, within thirty (30) days of notification, make up the difference. If the estimate was too high, Edgewater shall credit the overpayment to future Real Estate Tax payments for as many months as needed to utilize the overpayment.

(b) Edgewater reserves the right to contest any tax assessment made by a taxing authority. Coralville may also, upon receiving prior written approval of Edgewater, contest an assessment and attempt to obtain a reduction in the assessed valuation of River Bend Condominiums for the purpose of reducing any such tax liability, subject to the Minimum Assessment Agreement between Edgewater and Coralville.

(c) Coralville agrees to timely pay all taxes, assessments or other public charges levied or assessed by lawful authority (but reasonably preserving Edgewater's rights of appeal) against its personal property on the Leased Premises, during the term of this Lease.

(d) The parties expressly acknowledge that it is Edgewater's express intention to submit the Leased Premises and the building in which it is located to a horizontal property regime to be known as River Bend Condominiums. At such time as the property has been submitted to said horizontal property regime, the parties expressly acknowledge that the County Assessor shall assess and levy real estate taxes against each unit within River Bend Condominiums separately. Therefore, at such time as the Leased Premises is taxed as a separate and identifiable tax parcel following the submission of the property to a horizontal property regime, Coralville shall pay all of the real estate taxes attributable to the Leased Premises directly to the County Treasurer as they become due but before they are delinquent during the term of this Lease.

9. CARE AND MAINTENANCE OF THE PREMISES.

(a) **EDGEWATER'S DUTY OF CARE AND MAINTENANCE.** Edgewater will keep the roof, structural part of the floor, walls and other structural parts of the building in good repair.

(b) **CORALVILLE'S DUTY OF CARE AND MAINTENANCE.** Coralville shall, after taking possession of the Leased Premises and until the termination of this Lease and the actual removal from the Leased Premises, at its own expense care for and maintain said Leased Premises in a reasonably safe and serviceable condition. Coralville will furnish his own interior and exterior decorating. Coralville will not permit or allow the Leased Premises to be damaged or depreciated in value by any act or negligence of Coralville, its sub lessees, assignees, agents or employees, reasonable wear and tear excepted. Without limiting the generality of the foregoing, Coralville will make necessary repairs to the sewer, the plumbing, the water pipes and electrical wiring, within and for the sole benefit of the Leased Premises and Coralville agrees to keep faucets closed so as to prevent waste of water and flooding of premises and to promptly take care of any leakage or stoppage in any of the water, gas, or waste pipes. Coralville agrees to maintain adequate heat to prevent freezing of pipes and, at its own expense, may install floor covering and will maintain such floor covering in good condition. Coralville will be responsible for the plate glass in the windows of the Leased Premises. Coralville shall make no structural alterations or improvements without the written approval of the Edgewater first had and obtained, of the plans and specifications therefor. Said written approval shall not be unreasonably withheld.

Coralville will make no unlawful use of said Leased Premises and, except as such compliance is Edgewater's obligation hereunder, agrees to comply with all valid regulations of the Board of Health, City Ordinances or applicable municipality, the laws of the State of Iowa and the Federal government, but this provision shall not be construed as creating any duty by Coralville to members of the general public. Coralville will not allow trash of any kind to accumulate in the Leased Premises. Snow and ice removal from the sidewalk and the parking lot will be Edgewater's obligation but the costs thereof shall be included as a Common Area Maintenance Expense.

(c) **UTILITIES AND SERVICES.** Coralville, during the term of this Lease, shall pay, before delinquency, all charges for use of telephone, water, sewer, gas, heat, electricity, power, air conditioning, and, not limited by the foregoing, all other utilities and services of whatever kind and nature which may be used in or upon the Leased Premises. Edgewater shall provide Garbage/trash disposal and the costs thereof shall be included as a Common Area Maintenance Expense. Edgewater shall not be liable to Coralville for any damages should the furnishing of any utilities by Edgewater, including the heating and air conditioning of River Bend Condominiums, be interrupted or terminated because of necessary repairs or improvements of any cause beyond the reasonable control of Edgewater, nor shall any such interruption or cessation be deemed an eviction or disturbance of Coralville's use or possession of the Leased

Premises or any part thereof or relieve Coralville from the performance of any of its covenants, conditions and agreements under this Lease.

(d) HVAC equipment and water heater shall be furnished at the expense of Edgewater and, after initial acceptance of said equipment by Coralville, maintenance and replacement thereof at the expense of Coralville.

(e) JANITOR SERVICE within the Leased Premises shall be furnished at the expense of Coralville.

(f) HEATING within the Leased Premises shall be furnished at the expense of Coralville.

10. SURRENDER OF PREMISES AT END OF TERM--REMOVAL OF FIXTURES.

Coralville agrees that upon the termination of this Lease it will surrender, yield up and deliver the Leased Premises in good and clean condition, except the effects of ordinary wear and tear and depreciation arising from lapse of time, or damage without fault or liability of Coralville.

(a) Coralville may, at the expiration of the term of this Lease, or at a reasonable time thereafter, if Coralville is not in default hereunder, remove any fixtures or equipment which it has installed in the Leased Premises, providing Coralville repairs any and all damages caused by removal.

(b) Continued possession, beyond the expiratory date of the term of this Lease, by Coralville or its sub lessees or assignees, coupled with the receipt of the specified rental by the Edgewater (and absent a written agreement by both parties for an extension of this Lease, or for a new Lease) shall constitute a month to month extension of this Lease.

11. RESERVATION OF RIGHTS. Notwithstanding this Lease Agreement or the location of the Leased Premises leased herein, Edgewater shall reserve the following rights, to itself to be exercised in its sole discretion:

(a) Edgewater shall have the right to change the improvements in River Bend Condominiums, including but not limited to the construction of additional leasable space or common area, the removal of leasable space or common areas, the modification of access and traffic pattern or any other change to the configuration or location of any improvements within River Bend Condominiums.

(b) Edgewater shall have the right to designate parking areas for Coralville and its sublessees, assignees, concessionaires, employees, agents, invitees, and licensees and to change said designations from time to time as may be in the best interests of River Bend Condominiums. In addition, The parties acknowledge that the parking areas available to serve the Leased Premises may be changed from time to time by Edgewater and/or the City of Coralville, pursuant to that certain Agreement for Private Redevelopment concerning the real estate upon which River Bend Condominiums is constructed. Furthermore, Coralville authorizes Edgewater to cause any such car to be towed from River Bend Condominiums and its designated parking areas and Coralville shall, upon demand, reimburse Edgewater for the cost thereof and otherwise indemnify and hold Edgewater harmless with respect thereto.

(c) Edgewater, its agents or employees, or any person authorized by Edgewater may enter the Leased Premises during normal business hours, except that entry shall be permitted at any time when an emergency situation is deemed to exist which warrants entry, to inspect the condition of the same, to make such repairs, additions, improvements, changes or alterations

to the Leased Premises as Edgewater may contract to make, and to exhibit the same to prospective purchasers, lenders or tenants. Such entry, inspection, repairs, additions, improvements, changes or alterations as Landlord may make in, to or on the Leased Premises or River Bend Condominiums shall not constitute eviction of Coralville in whole or in part and the Rent reserved hereunder shall in no way abate while such work is being done by reason of loss or interruption of Coralville's business or otherwise.

- (d) Edgewater does not assume responsibility to provide any security measures or any liability for failure to provide the same. However, Edgewater shall have the authority to institute or continue such security measures, devices, programs, restrictions, and combinations thereof as Edgewater, in its sole discretion, deems necessary, taking into account the protection of persons and property of Edgewater, Coralville and its employees, and invitees of all and taking into account the business interests of River Bend Condominiums. The costs and expenses of instituting and maintaining such measures, devices, programs, restrictions and combinations thereof shall be borne by Coralville as a Common Area Expense.
- (e) Edgewater reserves the right to create a Horizontal Property Regime which may include part, or all, of the building in which the Leased Premises is located. Tenant waives notice of, and right to object to, such a conversion. Any such conversion of the Building or the Leased Premises to a condominium and/or conveyance of the Leased Premises shall be subject to the terms of this Article, and any person who acquires an interest in the Leased Premises shall be required to execute an Attornment and Non-Disturbance Agreement guaranteeing Coralville's continued peaceful possession of the Leased Premises in accordance with the terms of this Lease. No condominium declaration or owner's association rules will be permitted to contain provisions materially impairing Tenant's ability to conduct its business from the Leased Premises in the manner contemplated by this Lease.
- (f) The parties further acknowledge and agree that Edgewater entered into a Certain Agreement for Private Redevelopment regarding the real estate upon which the Leased Premises is located and that Edgewater has certain rights to the rebate of certain payments of real estate taxes as a form of tax-increment financing pursuant to the terms of that Agreement. The parties expressly acknowledge and agree that despite the terms of this Lease Agreement, Edgewater retains the sole right to any and all such payments that may be received pursuant to said Agreement for Private Redevelopment and that Coralville acquires no right, title interest, or claim thereto as a result of this Lease.

12. INSURANCE.

- (a) Subject to Edgewater's right to include the cost of insurance as a Common Area Expense as hereinafter described, Edgewater and Coralville will each keep their respective property interests in the Leased Premises and their liability in regard thereto, and the personal property on the Leased Premises, reasonably insured against hazards and casualties: that is, fire and those items usually covered by extended coverage; and Coralville will procure and deliver to Edgewater a certification from his insurance company to that effect. Coralville shall also be responsible for insuring the contents of the Leased Premises against any and all risks, including but not limited to flood damage. The parties acknowledge that the Leased Premises is or may be located in the 100-year flood plain and that flood insurance may be required. The insurance prescribed by this paragraph shall be made payable to the parties hereto as their interests may appear.

- (b) Coralville will not do or omit the doing of any act, which would vitiate any insurance, or increase the insurance rates in force upon the real estate improvements on the Leased Premises or upon any personal property of Coralville upon which Edgewater by law or by the terms of this Lease has or shall have a lien.
- (c) Subrogation rights are not to be waived unless a special provision is attached to this Lease.
- (d) Edgewater shall settle and adjust any claim against any insurance company under its said policies of insurance for the premises, and said insurance monies shall be paid to and held by Edgewater to be used in payment for cost of repairs or restoration of damaged building, if the destruction is only partial.

13. INDEMNITY AND LIABILITY INSURANCE. Except as otherwise provided herein, Coralville hereby agrees to defend, indemnify, and save free and harmless Edgewater from and against any and all claims, demands, fines, suits, costs, expenses, attorneys fees, actions, proceedings, orders decrees and judgments of any kind or nature (collectively, "Claims"), by or in favor of anyone whomsoever, resulting from or in connection with loss of life, bodily or personal injury, or property damage, arising directly or indirectly, out of or on account of any occurrence in the Leased Premises, or occasioned wholly or in part through the use and occupancy of the Leased Premises, or by any act or omission or negligence of Coralville or any subtenant, assignee, concessionaire, or licensee of Coralville, or their respective employees, agents or contractors in, upon, at or from River Bend Condominiums or the Leased Premises.

Edgewater shall not be responsible or liable for damages at any time to Coralville, or to those claiming by, through or under Coralville, for any loss of life, bodily or personal injury, or damage to property or business, or for business interruption, that may be occasioned by or through the acts, omissions or negligence of any other persons, or any other tenants or occupants of any portion of the building, except in the case of gross negligence or willful misconduct on the part of Edgewater or its agents or employees and, further, provided that Edgewater or its agents or employees are determined to be the party at fault by more than fifty percent (50%).

Edgewater shall also not be responsible or liable for damages, loss of life, injury or damage to any person or to any property or business of Coralville, or that of those claiming by, through or under Coralville, caused by or resulting from bursting, breaking, leaking, running, seeping, overflowing or backing up of water, steam, gas, sewage, snow or ice in any part of the building or the Leased Premises, unless caused or resulted from acts or omissions of Edgewater or its agents or employees and, further, provided that Edgewater or its agents or employees are determined to be the party at fault by more than fifty percent (50%).

14. FIRE AND CASUALTY. PARTIAL DESTRUCTION OF PREMISES.

- (a) In the event of a partial destruction or damage of the Leased Premises, which is a business interference, that is which prevents the conducting of a normal business operation and which damage is reasonably repairable within sixty (60) days after its occurrence, this Lease shall not terminate but the Rent and only the Rent for the Leased Premises shall abate during the time of such business interference. In the event of partial destruction, Edgewater shall repair such damages within sixty (60) days of its occurrence unless prevented from so doing by acts of God, the elements, the public enemy, strikes, riots, insurrection, government regulations, city ordinances, labor, material or transportation shortages, or other causes beyond Edgewater's reasonable control.

(b) **ZONING.** Should the zoning ordinance of the city or municipality in which this property is located make it impossible for Edgewater, using diligent and timely effort to obtain necessary permits and to repair and/or rebuild so that Coralville is not able to conduct its business from the Leased Premises, then such partial destruction shall be treated as a total destruction as in the next paragraph provided.

(c) **TOTAL DESTRUCTION OF BUSINESS USE.** In the event of a destruction or damage of the Leased Premises so that Coralville is not able to conduct its business from the Leased Premises or the then current legal use for which the Leased Premises is being used and which damages cannot be repaired within one hundred eighty (180) days this Lease may be terminated at the option of either Edgewater or Coralville. Such termination in such event shall be effected by written notice of one party to the other, within twenty (20) days after such destruction. Coralville shall surrender possession within ten (10) days after such notice issues and, each party shall be released from all future obligations hereunder, Coralville paying rental pro rata only to the date of such destruction. In the event of such termination of this Lease, Edgewater at its option, may rebuild or not, according to his own wishes and needs.

15. CONDEMNATION.

(a) **DISPOSITION OF AWARDS.** Should the whole or any part of the Leased Premises be condemned or taken by a competent authority for any public or quasi-public use or purpose, each party shall be entitled to retain, as its own property, any award payable to it. Or in the event that a single entire award is made on account of the condemnation, each party will then be entitled to take such proportion of said award as may be fair and reasonable.

(b) **DATE OF LEASE TERMINATION.** If the whole of the Leased Premises shall be so condemned or taken, Edgewater shall not be liable to Coralville except as its rights are preserved as in paragraph 14 (a) above.

16. **TERMINATION OF LEASE AND DEFAULTS OF CORALVILLE.** If any Rent or other amounts payable by Coralville to Edgewater are not paid when due and remain unpaid for five (5) days after written notice of default is given to Coralville, if Coralville vacates or abandons the Leased Premises or fails to conduct business for seven (7) consecutive days in breach of this Lease or if Coralville violates any of the other conditions of this Lease and said violation continues for more than thirty (30) days after Coralville's receipt of a written notice specifying the default or breach of performance, then Edgewater may treat the occurrence of any one or more of the foregoing events as a breach of this Lease and thereupon, at its option, may have, in addition to all other legal or equitable remedies, the following described remedies:

(a) Edgewater may declare this Lease forfeited and the Term ended, and re-enter said Leased Premises, with process of law, to remove all persons or chattels therefrom. Notwithstanding such re-entry by Edgewater, liability of Coralville for the Rent shall not be relinquished or extinguished for the balance of the Term. In addition, Coralville shall pay any other sums agreed to be paid hereunder, as the well as reasonable attorney's fees in any suit or action instituted by Edgewater to enforce this Lease. In the event this Lease is forfeited under this paragraph, and Edgewater lawfully retakes the possession of the Leased Premises, such re-entry shall be without prejudice to any remedy of Edgewater for arrears of Rent or for breach of covenant; and, Edgewater may resume possession of the Leased Premises and relet the same for the remainder of the Term for the best rent obtainable for the account of Coralville, who shall make good any deficiency.

(b) In the alternative, Edgewater may elect to terminate this Lease upon default and hold Coralville liable for all Rent and other indebtedness accrued to the date of such termination, plus such Rent and other indebtedness as would otherwise have been required to be paid by Coralville to Edgewater during the period following termination of the Lease term measured from the date of such termination by Edgewater until the expiration of the Term had Edgewater not elected to terminate the Lease on account of such event of default diminished by any net sums thereafter received by Edgewater through reletting the Leased Premises during said period after deduction of expenses incurred by Edgewater.

(c) Edgewater may also elect to repossess the Leased Premises without termination of the Lease, in which case, Coralville agrees to surrender possession and vacate the Leased Premises immediately and deliver possession thereof to Edgewater. Thereafter, Coralville shall be liable for and shall pay to Edgewater all Rent and other indebtedness accrued to the date of such repossession, plus Rent and other indebtedness hereunder required to be paid by Coralville to Edgewater during the remainder of the Term until the date of expiration of the Term, diminished by any net sums thereafter received by Edgewater through reletting the Leased Premises during said period after deducting expenses incurred by Edgewater. In no event shall Coralville be entitled to any access to any Rent obtained by reletting over and above the Rent herein. Actions to collect amounts due by Coralville as provided in the subparagraph may be brought from time to time, on one or more occasions, without the necessity of Edgewater's waiting to the expiration of the Term.

(d) **BANKRUPTCY OR INSOLVENCY OF CORALVILLE.** In the event Coralville is adjudicated a bankrupt or in the event of a judicial sale or other transfer of Coralville's leasehold interest by reason of any bankruptcy or insolvency proceedings or by other operation of law based on insolvency, mismanagement, or receivership, but not by death, and such bankruptcy, judicial sale or transfer has not been vacated or set aside within ten (10) days from the giving of notice thereof by Edgewater to Coralville, then and in any such events, Edgewater may, at its option, immediately terminate this Lease, re-enter said premises, upon giving of ten (10) days' written notice by Edgewater to Coralville, all to the extent permitted by applicable law.

(e) In any of the above circumstances, waiver as to any default shall not constitute a waiver of any subsequent default or defaults.

(f) Acceptance of keys, advertising and re-renting by Edgewater upon Coralville's default shall be construed only as an effort to mitigate damages by Edgewater, and not as an agreement to terminate this Lease.

17. RIGHT OF EITHER PARTY TO MAKE GOOD ANY DEFAULT OF THE OTHER. If default shall be made by either party in the performance of, or compliance with, any of the terms, covenants or conditions of this Lease, and such default shall have continued for thirty (30) days after written notice thereof from one party to the other, the person aggrieved, in addition to all other remedies now or hereafter provided by law, may, but need not, perform such term, covenant or condition, or make good such default and any amount advanced shall be repaid forthwith on demand, together with interest at the rate of 9% per annum, from date of advance.

18. LANDLORD'S LIEN. Edgewater shall have and enjoy a landlord's statutory lien, and in addition, Coralville hereby gives and grants to and in favor of Edgewater, an express landlord's lien and security interest, as security for all Rent and other sums payable by Coralville to Edgewater hereunder, unless otherwise waived by Edgewater, upon all the goods, wares, chattels, inventory, implements, fixtures, furniture, equipment, machinery and other personal property which Coralville now or at any time

hereafter places in, upon or about the Leased Premises. At any time during the terms of this Lease, and any exercised options hereunder, Coralville agrees to execute a Financing Statement to perfect said lien upon the request of Edgewater.

19. SIGNS.

(a) Coralville shall have the right and privilege of attaching, affixing, painting or exhibiting the amount of signage representing his proportionate share of the available signage allowed by the ordinances of the City of Coralville, but in any event, a minimum of one sign on the Leased Premises, provided only (1) that any and all signs shall comply with the ordinances of the city or municipality in which the property is located and the laws of the State of Iowa; (2) such signs shall not change the structure of the building; (3) such signs if and when taken down shall not damage the building; and (4) such signs shall be subject to the written approval of the Edgewater, which approval shall not be unreasonably withheld. Edgewater may develop sign covenants for River Bend Condominiums that will apply to all tenants of River Bend Condominiums and with the purpose of maintaining a harmonious quality appearance in River Bend Condominiums.

(b) Edgewater, during the last ninety (90) days of this Lease, shall have the right to maintain in the windows or on the building or on the Leased Premises either or both a "For Rent" or "For Sale" sign and Coralville will permit, at such time, prospective tenants or buyers to enter and examine the premises.

20. ASSIGNMENT AND SUBLETTING. Except as hereinafter provided, any assignment of this Lease or subletting of the Leased Premises or any part thereof, without Edgewater's written permission shall, at the option of the Edgewater, make the rental for the balance of the Lease term due and payable at once. Such written permission shall not be unreasonably withheld. The parties expressly acknowledge, however, that it is the intention of the parties that Coralville sublease or assign its rights to the Leased Premises to KCJJ for use as a radio station and that said proposed course of action is expressly permitted under the terms of this Lease. Any such sublease or assignment shall not, however, absolve Coralville of its responsibilities under and pursuant to this Lease.

21. MECHANIC'S LIENS. Neither Coralville nor anyone claiming by, through, or under Coralville, shall have the right to file or place any mechanic's lien or other lien of any kind or character whatsoever, upon said premises or upon any building or improvement thereon, or upon the leasehold interest of Coralville therein, and notice is hereby given that no contractor, sub-contractor, or anyone else who may furnish any material, service or labor for any building, improvements, alteration, repairs or any part thereof, shall at any time be or become entitled to any lien thereon, and for the further security of Edgewater, Coralville covenants and agrees to give actual notice thereof in advance, to any and all contractors and sub-contractors who may furnish or agree to furnish any such material, service or labor.

22. RIGHTS CUMULATIVE. The various rights, powers, options, elections and remedies of either party, provided in this Lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

23. NOTICES AND DEMANDS. Notices as provided for in this Lease shall be given to the respective parties hereto at the respective addresses designated on page one of this Lease unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such message shall be considered given under

the terms of this Lease when sent, addressed as above designated, postage prepaid, by registered or certified mail, return receipt requested, by the United States mail and so deposited in a United States mail box.

24. **PROVISIONS TO BIND AND BENEFIT SUCCESSORS, ASSIGNS; ETC.** Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs, administrators, executors and assigns of the parties hereto.

25. **CHANGES TO BE IN WRITING.** None of the covenants, provisions, terms or conditions of this Lease to be kept or performed by Edgewater or Coralville shall be in any manner modified, waived or abandoned, except by a written instrument duly signed by the parties and delivered to Edgewater and Coralville. This Lease contains the whole agreement of the parties.

26. **CONSTRUCTION.** Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

27. **ATTORNEY FEES AND VENUE IN THE EVENT OF LITIGATION.** Edgewater and Coralville agree that this Lease is being made in Johnson County, Iowa, and any dispute or litigation regarding this Lease, the terms thereof, or enforcing the provisions thereof shall be filed in the Iowa District Court in and for Johnson County, Iowa. Further, in the event of any litigation, the prevailing party shall be entitled to reasonable attorney's fees and court costs, subject to court approval.

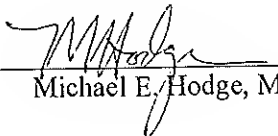
28. **EDGEWATER'S COVENANTS AND WARRANTIES.** Edgewater covenants with Coralville for quiet enjoyment of the Leased Premises subject to the provisions of this Lease and to observe and perform all the covenants and provisions of this Lease on its part to be observed and performed. Edgewater further warrants that on the occupancy date, the Leased Premises shall comply with all applicable laws, ordinances, rules, and regulations of governmental authority. During the term of this Lease, Edgewater shall comply with all applicable laws regarding the Leased Premises and building except to the extent the Coralville is responsible for such compliance.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease in duplicate the day and year first above written.

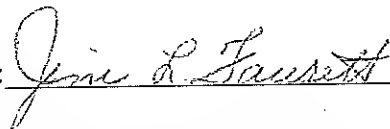
EDGEWATER INVESTORS, L.C.

CORALVILLE, IOWA

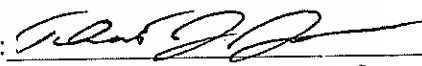
BY:


Michael E. Hodge, Manager

BY:



BY:


City Clerk, City of Coralville

SUBLEASE – BUSINESS PROPERTY

THIS SUBLEASE AGREEMENT is entered into by and between the City of Coralville, 1512 7th Street, Coralville, Iowa 52241; hereinafter referred to as "City"; and River City Radio, Inc., d/b/a KCJJ Radio, hereinafter referred to as "KCJJ." This sublease agreement provides for the transfer of the City's rights, interests and obligations pursuant to a Lease – Business Property it entered into with Edgewater, L.C.; hereinafter referred to as "Original Lease" and "Edgewater," respectively.

1. **PREMISES AND TERM.** The City, in consideration of the agreements and conditions herein contained, hereby subleases to the KCJJ, the property generally referred to as Suite 115, River Bend Condominiums, 845 Quarry Road, Coralville, Iowa 52241, with the improvements thereon, and all rights, easements, and appurtenances, for a term of 10 years, commencing on assumption of property and ending 10 years after assumption of property. Thereafter, the City may terminate the lease at anytime upon 180 days notice to KCJJ.

2. **RENTAL.** It is the responsibility of the City to pay the rental fee to Edgewater Investors, L.C. as outlined in Paragraph 2 of the Original Lease. As payment to the City, KCJJ shall provide an amount of advertising credit equal to the yearly rent paid by the City. The subject matter of the advertising shall be in the sole discretion of the City. The cost of the monthly advertising provided by KCJJ shall be equal to the monthly rent paid by City to Edgewater pursuant to the Original Lease. The City or its Designee shall arrange for the advertising from time to time. As long as KCJJ provides the required advertising to the City, the City shall hold KCJJ harmless for any penalty, interest or default expenses caused by untimely payment of the rent to Edgewater by the City.

3. **COMMON AREA EXPENSES AND REAL ESTATE TAXES.** KCJJ shall reimburse the City for the Common Area Expenses and Real Estate Taxes for the Premises as outlined in Paragraphs 7 and 8 of the Original Lease. This Reimbursement shall be made to the City within 14 days of the submission of an invoice by the City. Any refund received by the City for said Common Area Expenses and Real Estate Taxes shall be forwarded to KCJJ within 14 days of receipt by the City. Upon the receipt of these funds from KCJJ, the City shall be responsible for ensuring payment to Edgewater or the recipients as designated by Edgewater. Upon timely payment by KCJJ, the City shall hold KCJJ harmless for any penalty or additional amount due for these expenses caused by untimely payment from the City.

4. **USE OF PREMISES.** The Premises shall only be used to operate a radio station, and any and all activities incidental thereto.

5. **BUILD-OUT AND MAINTENANCE.** The City, as part of the Original Lease, will provide KCJJ with the items listed in Paragraph 6(a) of the Original Lease. Any further build-out of the Premises shall be governed by Paragraph 6(b) of the Original Lease and paid for by KCJJ. In addition, KCJJ is solely responsible for all repairs, maintenance, utilities and services

to the Premises as the City's sub-lessee and as provided by the Original Lease. KCJJ agrees to repair, maintain and provide utilities and services to the Premises as the City's sub-lessee. The City shall have no obligation to repair or replace any item on the Premises, unless specifically provided otherwise in this Agreement.

6. **INSURANCE.** KCJJ shall provide and maintain insurance for the Premises as the City's sub-lessee pursuant to the Original Lease. KCJJ shall provide to the City a certificate of insurance evidencing this coverage and name Edgewater and the City as an additional insured on its general liability policy. Said certificate shall include 30 days advance notice of cancellation to the City.

7. **TERMINATION AND SURRENDER OF PREMISES.**

a) This lease shall terminate immediately for any violation of the terms of the Original Lease by KCJJ. KCJJ shall have the right to terminate this lease immediately for any violation of the terms of this Agreement by the City.

b) KCJJ agrees that upon termination of this lease, it will surrender and deliver the Premises in good and clean condition.

c) Removal of Fixtures. KCJJ may, at the expiration of its tenancy, if KCJJ is not in default, remove any fixtures or equipment which KCJJ has installed in the premises, providing that KCJJ repairs any and all damages caused by removal.

8. **ASSIGNMENT AND SUBLETTING.** No assignment or subletting shall be effective without prior written consent of the City, and if permitted, it shall be subject to the terms of the Agreement outlined in Paragraph 2 above.

9. **INDEMNIFICATION.** KCJJ agrees to indemnify, defend, save and hold the City, its officers, representatives, agents, contractors, subcontractors and employees, harmless from any and all liability to third parties (including reimbursement of reasonable legal fees and costs) arising directly or indirectly from the act, error or omission of the KCJJ, its officers, representatives, agents, contractors, subcontractors or employees in connection with the tenancy, use or occupancy of the Premises.

10. **ORIGINAL LEASE.** This Sublease Agreement incorporates and is subject to the original Lease Agreement between the City and Edgewater Investors, L.C., a copy of which is attached hereto, and which is hereby referred to and incorporated as if it were set out here at length. KCJJ agrees to assume all of the obligations and responsibilities of the City under the original lease for the duration of this Sublease Agreement, except for the payment of rent as described in Paragraph 2 of the Original Lease, which shall remain the obligations of City.

11. **SIGNS.**

a) All signage proposed to be affixed to the Premises shall be approved in advance by Coralville, at its sole discretion.

- b) During the last ninety days of this Sublease, the Owner of the Premises shall have the right to maintain in the windows or on the building a sign advertising the Premises "For Rent."

12. **PARKING.** Parking will be available for KCJJ employees on the south surface lot. Other metered, short term parking is available behind the building.

13. **FIRE AND CASUALTY, PARTIAL DESTRUCTION OF THE PREMISES.** The provisions of Paragraph 14 of the Original Lease shall be applicable to this paragraph.

14. **MECHANICS' LIENS.** Neither KCJJ, nor anyone claiming by, through or under KCJJ, shall have the right to file a mechanics' lien against the Premises. KCJJ shall give notice in advance to all contractors and subcontractors who may furnish, or agree to furnish, any material, service or labor for any improvements constructed by KCJJ on the Premises.

15. **DEFAULT, NOTICE OF DEFAULT AND REMEDIES.** The provisions regarding notice, default and remedies is outline in the Original Lease Agreement referenced in Paragraph (2) above, and those provisions shall be followed for purposes of this lease. In addition to those provisions, the lease is subject to applicable state law as it applies to termination of leases and remedies of the City. In the event the City receives a notice of default, it shall provide a copy of that notice within one business day to KCJJ.

16. **NOTICES AND DEMANDS.** All notices shall be given to the parties at the following addresses or as later designated by a party:

KCJJ
4404 E Napoleon Street SE
Iowa City, IA 52240
Attn: Tom Suter

City of Coralville
1512 7th Street
Coralville, Iowa 52241
ATTN: City Administrator

17. **RIGHT OF FIRST REFUSAL.** The City, during the term of this Sublease and any renewals, shall have the right of first refusal to acquire the FCC license from KCJJ in, and only in the event, that KCJJ is offered for sale during the term of this Lease. If this agreement is terminated for any reason, this Right of First Refusal shall also terminate.

18. **RIGHTS CUMULATIVE.** The various rights, powers, options, elections, and remedies of either party, provided in this Sublease and pursuant to the Original Lease, shall be construed as cumulative and no one of them exclusive of the others, or exclusive of any rights, remedies, priorities allowed by either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

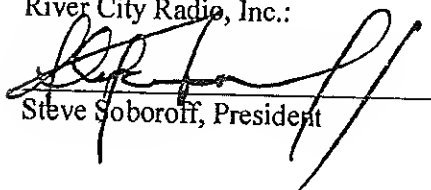
19. **PROVISIONS BINDING.** Each and every covenant and agreement herein contained shall extend to and be binding upon the respective heirs, administrators, executors and assigns of the parties hereto. This is the final and complete agreement with respect to the terms of the Lease of the Premises between the parties and supersedes any and all negotiations, drafts, documents or agreements. This Lease may not be amended except in writing and signed by authorized representative of each party.

20. **CHANGES TO BE IN WRITING.** None of the covenants, provisions, terms or conditions of this Sublease to be kept or performed by either party shall be in any manner modified, waived or abandoned except by written instrument duly signed by the parties and delivered to the City and KCJJ. This Sublease contains the entire agreement of the parties. Changes to the Original Lease as agreed to by the City and Edgewater are not binding upon KCJJ unless KCJJ also consents to those changes in writing.

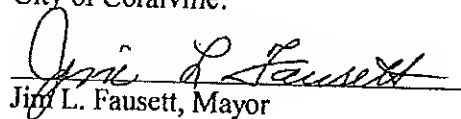
IN WITNESS WHEREOF, the individual below is fully authorized to execute this Lease on behalf of the parties and affixing his signature below hereby binds the parties to the terms and conditions stated herein.

Dated this 23 day of April, 2007.

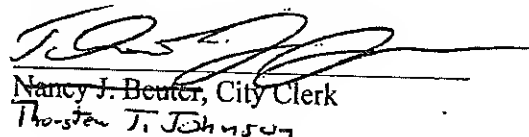
River City Radio, Inc.:


Steve Soboroff, President

City of Coralville:


Jim L. Fausett, Mayor

ATTEST:


Nancy J. Beuter, City Clerk
Therese T. Johnson